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SURINAME: Current Situation

13 August 1982

Army Commander Daysi Bouterse emerged as Suriname's strongman six months after he and a group of fellow noncommissioned officers toppled the constitutionally elected government of Henck Arron in February 1980. Since then Bouterse has exerted effective control over the civilian government and military establishment, although he has little popular support. Bouterse has made several attempts to develop a political base but has met with little success. Despite several failed coup attempts by disgruntled minorities, public apathy and the lack of an attractive alternative perpetuate Bouterse's hold on power. 25X1

Suriname's constitution has been in a state of suspension since August 1980. Bouterse appointed the current civilian government in March 1982 after dismissing the somewhat more independent government of President Chin A Sen, who was appointed shortly after the 1980 coup. Theoretically, a Policy Center composed of the top military and civilian leaders decides the course of Suriname's policies. In reality, however, Bouterse and Foreign Minister Harvey Naarendorp make most decisions affecting the nation's political orientation and foreign relations, leaving only the recommendations on economic matters in the hands of Prime Minister Neijhorst. Elections have not been scheduled and probably will not be held until--if ever--Bouterse feels confident that he could be elected by a popular vote. Although a new constitution has been written, it probably will not be promulgated because it gives insufficient governing powers to the military. 25X1

Although Bouterse and Naarendorp claim that their foreign policy is nonaligned and nationalistic, they appear to be directing Suriname on a leftist and pro-Cuban course. In order to entrench himself more securely in power, Bouterse is looking to Cuba and Grenada as models, and he is taking advice and some limited military assistance from the Castro regime. 25X1

Havana recently designated a high level party official with intelligence experience as Cuba's Ambassador to Suriname in an apparent effort to expand its influence and access with the Bouterse regime. Moreover, the Ambassador-designate--Osvaldo Cardenas Junquera--is one of the few black Cubans in a prominent party position and already has established a close relationship with Bouterse--a black creole. The Castro regime employed a similar strategy successfully in Grenada where their ambassador is a close confidante and advisor to Maurice Bishop. 25X1

In the last week, domestic opposition to some of Bouterse's policies has stirred. Legal professionals protested his unilateral reversal of a judicial decision which released two alleged participants in the March coup. Their criticism was strong enough to force Bouterse to back down. We also have reporting that Deputy Commander Horb and labor leader Fred Derby confronted Bouterse with criticisms of his policy toward Cuba. As the lines are drawn for and against Bouterse, the possibilities of yet another coup attempt increase. 25X1

Suriname's economy experienced no growth in 1981 and none is expected for 1982. In the past, trade deficits have been covered by foreign aid, however, we expect that Suriname will experience its first Balance of Payments deficit in 1982. Investment has stagnated,

a situation caused by political uncertainty, perceived instability, and import difficulties. We anticipate more deficit financing by the government as bauxite taxes decrease due to world market conditions, raises for civil servants are approved for political reasons, social welfare programs are instituted, and military spending increases. Nevertheless, Suriname's relatively high GNP per capita, low debt service ratio, and modest inflation/unemployment situation put it in better shape than most of its Caribbean neighbors. [redacted]

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Relations with the Dutch have been strained since the dismissal of Chin A Sen and the summary execution of one of the leaders of an abortive coup in March 1982. Suriname is highly dependent on the generous, 15 year development aid package initiated by the Dutch upon independence in 1975. The bilateral meetings to program the aid were suspended after Chin A Sen's ouster and have not resumed. If the stalemate continues, money in the development pipeline will slow to a trickle by early next year and worsen the economic stagnation. [redacted]

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